



AUDIT COMMITTEE

MINUTES

**Monday, September 11, 2017
5:30 p.m.**

**Education Centre
Grimsby-Lincoln Room**

Present:

Audit Committee Members: Linda Crouch, Yusuf Essop, Jonathan Fast (Chair), Lons Kushner, Kevin Maves

DSBN Administration: Stacy Veld, Superintendent of Business Services
Nicky Westlake, Manager of Financial Services
Dino Miele, Chief Information Officer
Steve Klimczuk, Associate Information Officer

Regional Internal Audit Team: Jenny Baker, Regional Internal Audit Manager

External Auditors: Lois Ouellette, Partner, KPMG
Scott Plugers, Manager, KPMG

Recording Secretary: Brenda Buckingham, Business Assistant

CALL TO ORDER AND WELCOME

Chair Jonathan Fast called the meeting to order at 5:30 p.m. and welcomed everyone to the first Audit Committee meeting of 2017-18. Around the table introductions were made.

INTRODUCTION OF NEW AUDIT COMMITTEE MEMBER

Superintendent Stacy Veld introduced the Committee's newest member, Yusuf Essop, as the successful candidate to fill the vacancy left when external member Chris Mason's term of appointment ended in June. Mr. Essop is currently the Director – Head of Internal Audit for the Municipal Property Assessment Corporation (MPAC) and brings an extensive background and knowledge of internal audits to the Committee. Welcome Yusuf!

ELECTION OF CHAIR FOR 2017-18

Ontario Regulation 361/10 requires Audit Committees to elect a Chair at the first meeting of each new fiscal year. Superintendent Veld called for nominations for this position. Kevin Maves nominated Jonathan Fast, seconded by Linda Crouch. No other names were brought forth. Jonathan Fast accepted the nomination and was acclaimed Chair of the Audit Committee for the 2017-18 year.

APPROVAL OF THE AGENDA

Moved by: Kevin Maves
Seconded by: Linda Crouch

“That the agenda be approved as presented.”

CARRIED UNANIMOUSLY

DECLARATIONS OF CONFLICT OF INTEREST**2017-18 Declaration**

Each year, in accordance with Regulation 316/10, all Committee members are required to complete the Declaration of Conflict of Interest form at the first meeting of the fiscal year and submit their Declarations to the Recording Secretary. In accordance with section 14(3) of the Regulation, if a member or his or her parent, child or spouse derive any financial benefit relating to an item on a meeting agenda, the member shall declare the potential benefit at the start of that meeting and will withdraw from the meeting during any discussion of the matter and shall not vote on the matter.

Declaration of Conflict of Interest re Agenda Matters

There were no conflicts of interest declared with respect to the agenda matters.

AUDIT COMMITTEE SELF-ASSESSMENT

Manager of Financial Services Nicky Westlake explained that Audit Committee members are required to conduct a yearly self-assessment using a prescribed format. All Committee members were provided with the form and asked to submit their response to the Recording Secretary. The responses will be kept on file in the office of the Superintendent of Business Services. Should there be any issues noted on the completed forms, Nicky Westlake will bring them forward to the November Audit Committee meeting for discussion.

APPROVAL OF THE MINUTES OF JUNE 19, 2017

The minutes of the June 19, 2017, open session meeting were reviewed, and it was,

Moved by: Linda Crouch
Seconded by: Kevin Maves

“That the minutes of the June 19, 2017, Audit Committee meeting be approved as presented.”

CARRIED UNANIMOUSLY

MOVE TO CLOSED SESSION

Moved by: Linda Crouch
Seconded by: Kevin Maves

“That the Audit Committee move into closed session”.

CARRIED UNANIMOUSLY

The Committee moved into closed session at 5:40 p.m.

MOVE BACK TO OPEN SESSION

Moved by: Linda Crouch

Seconded by: Kevin Maves

“That the Audit Committee move back into open session.”

CARRIED UNANIMOUSLY

The Committee moved back to open session at 6:15 p.m.

Scott Plugers, Dino Miele and Steve Klimczuk left the meeting at this time.

REGIONAL INTERNAL AUDIT TEAM (RIAT) UPDATE

Jenny Baker, Regional Internal Audit Manager, provided the Committee with an update on the Regional Internal Audit Team's work at the District School Board of Niagara since June 19, 2017, as detailed below.

Planned Audit – Repairs and Maintenance

Planning for the internal audit of 'Repairs and Maintenance' began with a meeting held on August 24th to establish timing and scope. The Committee will be provided with the audit's Terms of Reference at their meeting in November.

Other RIAT Matters:

i) **Professional Development:**

Jenny Baker confirmed that the RIAT is in compliance with the International Standards for the Professional Practice of Internal Auditing standard #1230 – *Continuing Professional Development*. A schedule of professional development training completed in 2016-17, as well as planned training for 2017-18, were provided to the Committee.

ii) **Staffing:**

- In June, Rob Jelacic CPA, CA, CMA, joined the West of Central Region audit team as Senior Internal Auditor.
- Andrea Etherington CIA, CRMA, who is tied to the DSBN internal audit team, has been seconded on a part-time basis to the School Business Support Branch of the Ministry of Education to provide support for Audit Committees and Internal Audit during the temporary absence of their Senior Analyst.
- Jenny Baker explained that the Team was working short-staffed for a period of time. Considering that the internal auditors are shared among the other school boards in the West of Central Region, staff did an incredible job during this period. With Rob Jelacic on-board, the Team is now staffed and looking forward to undertaking the Repairs and Maintenance audit at the DSBN.

Moved by: Lons Kushner

Seconded by: Yusuf Essop

“That the Regional Internal Audit Status Report be received.”

CARRIED UNANIMOUSLY

OTHER BUSINESS

MOE Information Memo SB23 – Update on Ministry Support for Audit Committees & Internal Audit

Superintendent Stacy Veld provided the Committee with a copy of Ministry Memo SB23 from Cheri Hayward, Director, School Business Support Branch, which provides an update on staffing to support provincial Audit Committees and Internal Audits.

As reported previously by Jenny Baker, the Ministry has announced that their Senior Analyst, Paula Hatt, is on a leave of absence. Andrea Etherington, Senior Regional Internal Auditor, West of Central Region, has accepted a part-time secondment with the Ministry from September 2017 to the end of March 2018 to provide support in Paula's absence.

NEXT MEETING

The next Audit Committee meeting will take place on Monday, November 20, 2017 at 5:30 p.m.

ADJOURNMENT

The meeting adjourned at 6:25 p.m.

Jonathan Fast
Chair